



## United States Senate Budget Committee

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### Obamacare's Five Biggest Broken Promises

[Won't Add To The Deficit](#): In a speech before a joint session of Congress in 2009, the President had this to say: "And here's what you need to know. First, I will not sign a plan that adds one dime to our deficits—either now or in the future. I will not sign it if it adds one dime to the deficit, now or in the future, period." He later added that "it is paid for. It is fiscally responsible. And it will help lift a decades-long drag on our economy."

[REALITY](#): A Senate Budget Committee analysis based on Congressional Budget Office and Joint Committee on Taxation data indicates that Obamacare will increase the deficit by more than \$100 billion over the next 10 years, despite massive tax increases. And, according to a study by the Government Accountability Office, under a realistic set of assumptions the health care law will increase the deficit roughly \$6.2 trillion over the next 75 years.

[Good For The Economy](#): Former Speaker of the House Nancy Pelosi famously claimed that the health care law would "create 4 million jobs, 400,000 jobs almost immediately."

[REALITY](#): CBO estimates Obamacare will produce a dramatic reduction in the number of hours worked by Americans as well as the size of the overall labor force, the equivalent of 2.5 million fewer Americans working full-time as a result of the law. It further estimates that the law will cause a reduction in aggregate labor compensation equivalent to a \$1 trillion in lost wages—or an average of \$820 per worker, per year. And University of Chicago economist Casey Mulligan estimates that, by 2015, the health care law will permanently reduce the size labor market 3 percent—which is similar to losing approximately 3 to 4 million full-time jobs.

[Reduce Health Care Costs](#): The President said his law would "lower costs for families and for businesses and for the federal government."

**REALITY**: The non-partisan actuaries at the President’s own Centers for Medicare and Medicaid Services (CMS) project the law will increase health care spending as a share of our total economy—in other words, the law bends the cost curve in the opposite direction. Average family premiums are up \$3,500 since 2009, according to the Kaiser Family Foundation. Three different Federal Reserve Bank surveys have shown that Obamacare is causing employers to replace full-time with part-time workers, reduce hiring, and raise employee premiums on the health plans they offer. And after the law was enacted, CBO Director Douglas Elmendorf concluded: “Rising health costs will put tremendous pressure on the federal budget... In CBO’s judgment, the health legislation does not substantially diminish that pressure.”

**Spend Less Than \$1 Trillion**: President Obama promised a joint session of Congress in 2009 that his plan would spend less than \$1 trillion: “Now, add it all up, and the plan that I’m proposing will cost around \$900 billion over 10 years.”

**REALITY**: After adding up all the different spending provisions in the law, total gross spending was projected to be about \$1.4 trillion, based on the CBO cost estimate at the time of enactment. And while that estimate covered the 10-year budget window from FY 2010–2019 used at the time, most of the major spending provisions in the law did not even begin until 2014. Senate Budget Committee analysts used CBO data to calculate that the President’s plan would spend an estimated \$2.6 trillion over a true 10-year period (from FY 2014–23)—nearly three times more than promised.

**Will Not Raid Medicare**: The President promised “not a dollar of the Medicare trust fund will be used to pay for this plan.”

**REALITY**: CBO and the non-partisan actuaries at CMS indicated that hundreds of billions of dollars in Medicare savings were double-counted under the plan. Democrats claimed the Medicare cuts and tax increases in the plan could make Medicare more solvent and at the same time offset the cost of the new health care entitlement created under Obamacare. CBO estimated that without this double-counting gimmick the health law would, in fact, increase the deficit over its first 10 years and the subsequent decade as well.